India's Borrowings from I.M.F

125. CHOWDHARY HARI SINGH: SHRI SUSHIL KUMAR SAMBuAJiRAO SHINDE:

Will the Minister of FINANCE be p'eased to state:

(u) whetiier India has again emerged as a major borrower of IMF's SDR Commitments and other funds during i 1991-92 r.s per 4th Annual Report;

(b) if so, the extent and details of IMF borrowings undertaken by India during tlie year and at what position India stands amongs; other developing countries in respect of IMF borrowings;

(c) what specific conditions each of these borrowings were subjected to, including liberalisation cf Inc'ia's economic, industrial, agriculture, trade and fiscal policies; and

(d) what achievements of India through structural adjustments facility have been recorded in the said report?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) During the year 1991-92 India drew 905.00 million SDRs under different facilities of IMF, the details of which are as undei:—

Date	Name of the facility	Amount in SDR million
22.7.91	CCFF	166.180
12.9.91	CCFF	468.900
15.11.91	Stand-by	85.000
3.1.92	Stand-by	185.000
	Total:	905.080

This amount compare with a total drawing of SDR 1268.825 million in 1990-91 from the Tranche of the IMF and the CCFF.

(c) The conditions of IMF borrowings arc contained in Finance Minister's Letter of Intent and Memorandum of Economic Policy dated 27th August, 1991 and 3#d June, 1992, both of which have been laid on the table of the House.

(d) The Statement made in the said Report about India's achievements is as under:—

The new government that took office in June 1091 acted quicKly to arrest the deteriorating economic situation. Its progiamme for 1991-92 and 1992-93 which the Fund supported through a Stand-by arrangment (for SDR 1,656.0 million, approved on October 31, 1991), sought to ease the external payments position, rebuild international reserves, achieve economic growth of 3-3$^1/_2$ percent, and reduce inflation. A large, sustained reduction in the public sector deficit was central to the strategy. India's programme also included structural reforms aimed at reducing government intervention, enhancing domestic competition, and accelerating the country's integration into the world economy.

Steps (o Safeguard Working Units Against Reduction in Customs Duty

126. SHRI PARMESHWAR KUMAR AGARWAL: Will the Minister of FINANCE be pleased to state the steps proposed to be taken to safeguard the existing working units of the country which will be affected on account of cheaper rate of rew material and inputs os a results of reduction in customs duty, vis-a-vis the cost of the indigenous raw material inputs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRl RAMESHWAR THAKUR): A number of reforms in industrial policy, trade policy and monetary and credit policy have been announced with a view to lowering costs of production and improving the efficiency, productivity and overall competitiveness of domestic industry. To meet emerging necessities, the incentives to industrial growth and development are reviewed on countinuous basis.